

The County Strategic Plan (five-year forecast) primarily focuses on increases in costs to maintain current services and how much discretionary revenue is available to fund these costs and/or what mitigations are needed. In addition to preparing the five-year forecast the County Administrative Office also identifies needs within the County that are not currently funded and require funding with ongoing or one-time sources.

ONGOING NEEDS

As reflected in the strategic plan the 2012-13 Recommended Budget funds \$37.7 million in increased ongoing costs (\$35.1 million to maintain current services and \$2.6 million in increased needs as detailed below).

Ongoing Costs Identified to be Funded (in millions)

	Ongoing
Application maintenance and support for countywide computer systems	\$1.6
Maintain ePro System	0.4
Finance and Administration Support	0.3
Stormwater Permit	0.3
Additional Ongoing Costs in 2012-13 Recommended Budget	\$2.6

\$1,600,000 ongoing for application maintenance and support

In 2008-09, the Information Services Department's Application Development division sustained a 20% budget reduction, resulting in the elimination of 7 programmer positions. As a result, the maintenance and support of locally funded applications has fallen behind. Building back this funding will add 4 positions and 21,112 hours to support and maintain general fund systems at "ideal" levels, as recommended by the Information Services Department.

\$368,000 ongoing for ePro

The projected 2012-13 increased costs of \$368,000 associated with the San Bernardino County Electronic Procurement Network (ePro) are critical to proceed with implementation and to allow time for the Contract Transaction Charge (CTC) to be realized. In 2012-13 the costs incurred will be for the integration of ePro with the financial accounting system in order to eliminate manual entry of encumbrances and further streamline the procurement process. The goal is to have all costs associated with ePro to be funded by the CTC. In addition, since vendors will be remitting their CTC quarterly, the department has requested lead time to allow for the fee ordinance to become effective and for the process to begin which will also be accomplished with this funding. These costs are subject to be offset with the fee revenue associated with the (CTC). As CTC is realized, savings in Net County Cost associated with this program will be returned to the general fund.

\$300,000 ongoing for two administrative analysts

Finance and Administration has been reduced by four administrative analysts over the past few years. As a result, key finance duties have not been analyzed or performed. Two administrative analysts need to be added in order to concentrate on 1) providing relevant and timely information to the Board of Supervisors to make informed decisions, 2) developing the true cost of providing services independently, 3) developing contracts that protect the financial interests of the County, 4) ensuring policy and standards of practice are being followed and 5) analyzing and monitoring revenue sources.

\$300,000 ongoing for additional NPDES permit activities

The County currently has \$1.0 million in discretionary general funding to comply with the current National Pollutant Discharge Elimination System (NPDES) permit activities in the unincorporated areas outside of the Santa Ana River Watershed. This additional \$300,000 will fund the County to continue these permit activities include providing public education and the preparation and submittal of the Annual Report. In addition, this amount will assist in implementing the upcoming Phase II MS4 permit.



ONE-TIME NEEDS

As reflected in the strategic plan, the 2012-13 Recommended Budget funds \$65.4 million in increased one-time costs (\$19.6 million per Board policy or direction and \$45.8 million in increased needs as detailed below).

**One-time Costs Identified to be Funded
(in millions)**

	One-time
Downtown Building Project	\$10.0
Rimforest Storm Drain Project	5.9
Pavement Management Program	5.0
Bridge Funding for Employee Concessions	4.5
Lake Gregory Dam	4.0
Land Use Services Activities	3.8
Sheriff/Coroner/Public Administrator Funding	3.1
Fontana Sales Tax Agreement	2.6
Economic Development Funding	2.0
Comprehensive Public Works Financial Cost Accounting System	2.0
Sheriff/Coroner/Public Administrator Crime Lab Addition Design	1.3
Additional Funding for Fire Station in Needles	0.7
Oversight Board Costs	0.3
Traffic Signal at Valley and Banana in Fontana	0.3
Community Foundation	0.3
Additional One-time Costs in 2012-13 Recommended Budget	\$45.8

\$10.0 million one-time for Downtown Building Project

This project will purchase existing buildings, seismically retrofit and modernize certain existing buildings, and demolish older facilities in which additional investment is not recommended. Additional funding of \$10,000,000 is recommended to be added to the current funding of \$30,000,000 for a total of \$40,000,000. It is anticipated that additional square footage will be acquired than originally anticipated and the project budget will also include furniture, fixtures and equipment that was previously anticipated would be funded by departments.

\$5.9 million one-time for Rimforest Storm Drain Project

Due to severe erosion and land sliding in the Rimforest community a study was performed to evaluate the impact of the drainage on the stability of the slope. The study identified a potential construction project to reroute the drainage back into Little Bear Creek which flows through Blue Jay and into Lake Arrowhead (Mojave Watershed). This would require construction of storm drain systems along Highway 18 and inside the village of Rimforest. Peak-flow regulation basins would be required to avert runoff damage to Blue Jay and structures along Little Bear Creek. This amount will fund right of way, environmental, and construction. An estimated \$400,000 is needed for the design in 2012-13 and \$5.5 million will be set aside for the construction and will be transferred to the Public Works Department when needed.

\$5.0 million one-time for Pavement Management Program

On June 9, 2011, the Board created Public Work's Pavement Management Program as part of the Board's effort to realize the Countywide Vision by improving the quality of life for County residents. The Pavement Management Program will sustain the pavement condition index (PCI) of 76 for county maintained roads by doing surface treatments on 45 miles and rehabilitating 5.9 miles of roads. This program requires \$18.0 million per year to implement which is \$5 million above the Fiscal Year 2012-13 available departmental funds. In order to fully fund the Pavement Management Program in 2012-13 an allocation of \$5.0 million is needed.



\$4.5 million one-time for bridge funding for employee concessions

The Human Resources Department is negotiating with four labor unions to obtain employee concessions to reduce salary and benefit costs as part of the five-year forecast solutions to address the County structural deficit. These concessions, if achieved, will generate \$8.9 million in annual savings. The County is setting aside \$4.5 million in bridge funding as reductions may not be implemented until mid-year 2012-13.

\$4.0 million one-time for Lake Gregory Dam

The County received a violation notice from the California Department of Safety of Dams (DSOD) on April 29, 2008 stating that the Lake Gregory Dam did not meet the State's requirements for stability during a major seismic event and the required evacuation rate (how fast the lake level could be lowered). Special Districts did a Final Stability Analysis of the dam which was approved by DSOD on May 2, 2012. The plans and specifications to modify the outlet works for the dam to meet the State required evacuation rate are currently under review by the DSOD. Special Districts are now preparing a study that identifies 11 alternatives (ranging in value from \$2 - \$15 million) to remediate the dam and stabilize it.

This \$4.0 million will be used to construct the outlet works upgrade project, estimated at \$500,000, and can fund the construction of the dam remediation option selected if in the \$2.0 - \$3.0 million range. This funding will also cover the costs for inspection during construction, construction management of the projects, permits and fees to DSOD for their inspections, and any and all changes to the work generated by changed site conditions. DSOD will ultimately have to approve the selected and preferred alternative.

\$3.8 million one-time for Land Use Services activities

\$2.3 million to Land Use Services – Planning will allow department to update the General Plan, create more specific plans to better reflect the unique character of all areas of the county, and amend the development code and master plans. These revisions will ensure the most appropriate standards are being applied in all areas of the county.

\$0.7 million to Land Use Services - Administration will allow the department to purchase a new permitting software. This new software will allow all of the divisions of LUS, Public Works, and County Fire to interface with each other for the purposes of issuing permits. A new permitting application will also increase the efficiency of the department and help to streamline the permitting process.

\$400,000 to Land Use Services - Planning will fund high-level consulting services to identify efficiencies in business processes, streamline day-to-day operations, assist with high profile project management, and provide training to staff. In addition, mid-level and day-to-day consultant services will be utilized to assist with various types of routine project management on an as-needed basis to keep up with current workloads.

\$360,000 to Land Use Services - Code Enforcement will enable the continuation of the Medical Marijuana enforcement program. This includes supporting a specialized Code Officer to address Medical Marijuana code cases and supporting County Counsel costs specific to Medical Marijuana litigation.

\$3.1 million one-time for Sheriff/Coroner/Public Administrator activities

\$3.1 million to Sheriff/Coroner/Public Administrator will allow the department to maintain necessary public safety services.

\$2.6 million one-time for Fontana Sales Tax Agreement

On August 26, 2008 the County approved an agreement with the City of Fontana where 37% of the sales tax received in the Western Sphere of Influence of the City of Fontana (8.5 square miles of unincorporated area within the County) would be set aside to use on projects within this Sphere that are mutually agreed upon by both parties. During the adoption of the 2011-12 Budget, the Board of Supervisors allowed the County to substitute money from the County redevelopment area, which is also in the Sphere, to free up money for the general fund. With the dissolution of the redevelopment agencies, negotiations are in process to potentially amend this agreement. There is currently \$3.9 million from sales tax set aside from this agreement and an additional \$2.6 million will be needed based on current



negotiations. The County's goal is to get the ongoing sales tax back into the general fund on an ongoing basis.

\$2.0 million one-time for Economic Development

The Economic Development Department will now receive a base amount of ongoing funding of about \$1.0 million and additional one-time funding up to \$2.0 million based on the County revenue that is received in the prior fiscal year as a result of their work. The department has generated over \$2.0 million in new revenue to the County in 2011-12.

\$2.0 million one-time for Comprehensive Public Works Financial Cost accounting system

The Public Works Department needs to upgrade its cost accounting system which is utilized to provide tracking and reporting information for public works projects at the project level in order to comply with federal and state requirements. The system also tracks equipment, maintenance, and materials. The department would like to implement a public works financial system that includes, work order budgeting, and other functions to allow the department to track projects from the Planning phase to the construction phase, as well as tracking maintenance and paving condition of the County Maintained Road System.

\$1.3 million one-time for Sheriff's Crime Lab Addition Design

This project will provide funding of \$1.3 million to redesign an expansion and remodel of the existing Sheriff's Crime Lab located at 200 S. Lena Road in San Bernardino.

\$0.7 million one-time for Fire Station in Needles

An additional \$0.7 million is needed in 2012-13 to finish construction of the Fire Station in Needles. This is funded with the High Desert Fire Station Reserve.

\$0.3 million one-time for Oversight Board Costs

With the State's dissolution of local redevelopment agencies in 2011-12, 26 Oversight Boards, each of which includes a County representative and a public representative appointed by the Board of Supervisors, were created within the County to ensure that ongoing redevelopment expenses and assets are managed properly. The County Economic Development Agency will serve as a resource to those appointees to ensure the County's interests are represented on all Oversight Boards. Funding of \$0.3 million is needed in 2012-13 to provide this resource.

\$0.3 million one-time for Traffic Signal at Banana

The intersection of Valley Boulevard and Banana Avenue is at the top of the County's traffic signal priority list and is located 50% within the City of Fontana and 50% within the County. In May 2011, the County and former Speedway Redevelopment Agency (RDA) entered into an agreement for the RDA to fund the County's share of the project which is estimated at \$277,000. Subsequently, the County entered into an agreement with the City of Fontana to complete design and construction of the signal. Both the County and Fontana have obtained gratis right of way or easement for construction of the project from the adjacent property owners in anticipation of completing improvements that would benefit those properties. With the dissolution of the RDA, the County funding was lost. In order to complete this much needed project and avoid issues with the adjacent property owners, an allocation of \$250,000 is needed.

\$0.3 million one-time to Community Foundation

This funding of \$268,250 to the Community Foundation will support grants development and non-profit capacity building initiatives in 2012-13.



ONGOING AND ONE-TIME COSTS NOT FUNDED IN 2012-13

The immediate one-time costs and allocations were addressed in the 2012-13 Recommended Budget. However, the County has long-term needs summarized below that still need to be addressed in the upcoming years.

**Ongoing Costs Still Need Ongoing Funding
(in millions)**

	Ongoing
Adelanto Detention Center Staffing	\$34.2
Pavement Management Program	5.0
Ongoing Costs Not Funded	\$39.2

**One-time Costs Still Need One-time Funding
(in millions)**

	One-time
Various Transportation Projects	\$253.3
Construction of Public Safety Operations Center in the Valley	75.0
Fire Training and Support Services	15.0
Sheriff/Coroner/Public Administrator aviation relocation	9.0
Additional District Attorney and Public Defender space for New SB Courthouse	1.5
EMACS Upgrade	1.0
One-time Costs Not Funded	\$354.8

